

AMENDED IN SENATE JUNE 17, 2014  
AMENDED IN SENATE MAY 8, 2014  
AMENDED IN SENATE APRIL 21, 2014  
AMENDED IN SENATE APRIL 8, 2014  
AMENDED IN SENATE MARCH 18, 2014  
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AMENDED IN SENATE SEPTEMBER 11, 2013  
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AMENDED IN ASSEMBLY MAY 21, 2013  
AMENDED IN ASSEMBLY APRIL 23, 2013  
AMENDED IN ASSEMBLY APRIL 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 1331**

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**Introduced by Assembly Member Rendon**  
**(Principal coauthors: Assembly Members Alejo and Quirk-Silva)**  
**(Coauthors: Assembly Members *Bloom, Ian Calderon, Chau, Daly,***  
***Fong, Hall, Holden, Mullin, Muratsuchi, V. Manuel Pérez, Quirk,***  
***Rodriguez, Stone, Williams, and Yamada*)**  
(Coauthor: Senator Lara)

February 22, 2013

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An act to repeal and add Division 26.7 (commencing with Section 79700) of the Water Code, and to repeal Section 2 of Chapter 3 of the

Seventh Extraordinary Session of the Statutes of 2009, relating to a clean, safe, and reliable drinking water program, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds.

LEGISLATIVE COUNSEL'S DIGEST

AB 1331, as amended, Rendon. Clean, Safe, and Reliable Drinking Water Act of 2014.

(1) Existing law, the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, if approved by the voters, would authorize the issuance of bonds in the amount of \$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Existing law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election.

This bill would repeal these provisions.

(2) Under existing law, various measures have been approved by the voters to provide funds for water supply and protection facilities and programs.

This bill would enact the Clean, Safe, and Reliable Drinking Water Act of 2014, which, if adopted by the voters, would authorize the issuance of bonds in the amount of ~~\$8,000,000,000~~ \$8,200,000,000 pursuant to the State General Obligation Bond Law to finance a clean, safe, and reliable drinking water program.

This bill would provide for the submission of the bond act to the voters at the November 4, 2014, statewide general election.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Division 26.7 (commencing with Section 79700)
- 2 of the Water Code, as added by Section 1 of Chapter 3 of the
- 3 Seventh Extraordinary Session of the Statutes of 2009, is repealed.
- 4 SEC. 2. Division 26.7 (commencing with Section 79700) is
- 5 added to the Water Code, to read:

DIVISION 26.7. CLEAN, SAFE, AND RELIABLE  
DRINKING WATER ACT OF 2014.

CHAPTER 1. SHORT TITLE

79700. This division shall be known, and may be cited, as the  
Clean, Safe, and Reliable Drinking Water Act of 2014.

CHAPTER 2. FINDINGS

79701. The people of California find and declare all of the  
following:

(a) Safeguarding supplies of clean and safe drinking water to  
California's homes, businesses, and farms is an essential  
responsibility of government, and critical to protecting the quality  
of life for Californians.

(b) Every Californian should have access to clean, safe, and  
reliable drinking water, consistent with the human right to water  
and Section 106.3. Providing adequate supplies of clean, safe, and  
reliable drinking water is vital to keeping California's economy  
growing and strong.

(c) Climate change has impaired California's capacity to ensure  
clean, safe, and reliable drinking water, as droughts have become  
more frequent and more severe, and ecosystems have become  
stressed. Higher temperatures mean less snow pack, which is the  
state's largest water reservoir. Scientists project a loss of at least  
25 percent of the snow pack in the Sierra Nevada Mountains by  
2050. The Colorado River basin, which provides drinking water  
to southern California, has experienced prolonged ~~drought~~.  
*drought*.

(d) California's water infrastructure continues to age and  
deteriorate. More than 50 years ago, Californians approved the  
construction of the State Water Project. In the decades that  
followed, California's water leaders developed the most  
sophisticated system of state, federal, regional, and local water  
infrastructure anywhere in the world. In recent decades, however,  
that water infrastructure and the water environment on which it  
depends have deteriorated.

(e) In the years since the voters approved the State Water  
Project, California's population has continued to grow, from less

1 than 16 million in 1960 to more than 37 million in 2010. A growing  
2 population and a growing economy have put greater stress on  
3 California's natural resources, including water. The Department  
4 of Finance projects that California's population will reach 50  
5 million by 2049.

6 (f) A growing population and a growing economy have put  
7 greater stress on California's natural resources, including water.  
8 Contamination of groundwater aquifers from economic activity  
9 in the agricultural and industrial sectors has threatened vital  
10 drinking water supplies.

11 (g) As California and its water infrastructure have grown,  
12 increasing demands on California's limited water supplies and  
13 deteriorating aquatic ecosystems have led to intense conflict,  
14 further threatening the reliability of clean and safe drinking water.

15 79702. The people of California find and declare all of the  
16 following:

17 (a) A sustainable water future can provide the means for  
18 California to maintain vibrant communities, globally competitive  
19 agriculture, and healthy ecosystems, which are all a part of the  
20 quality of life that attracts so many to live in California.

21 (b) Responding to climate change, ensuring clean and safe  
22 drinking water, and preparing for California's continued growth  
23 will require a diversified portfolio of strategies and investments  
24 to address the many water challenges facing California.

25 (c) Improving water quality offers one of the most immediate  
26 steps to ensuring a clean and safe drinking water supply. California  
27 needs water quality improvements at all parts of the hydrologic  
28 cycle, from source water in the watersheds where the state's  
29 drinking water supplies originate to wastewater treatment and  
30 potential reuse to improve surface water quality for those who live  
31 downstream.

32 (d) Addressing the challenges to the sustainability of the Delta,  
33 the heart of the California water system, will help resolve some  
34 of the conflicts that impede progress in improving the statewide  
35 water system.

36 (e) Enhancing regional water self-reliance consistent with  
37 Section 85021 offers a key strategy for addressing climate change  
38 and improving water supply reliability. It helps the Delta and it  
39 helps local communities to address their own water challenges.  
40 Water conservation and water recycling form one part of the

1 regional water self-reliance strategy and are commonsense methods  
2 to make more efficient use of existing water supplies.

3  
4 CHAPTER 3. DEFINITIONS  
5

6 79703. Unless the context otherwise requires, the definitions  
7 set forth in this section govern the construction of this division, as  
8 follows:

9 (a) “CALFED Bay-Delta Program” means the program  
10 described in the Record of Decision dated August 28, 2000.

11 (b) “Commission” means the California Water Commission.

12 (c) “Committee” means the Clean, Safe, and Reliable Drinking  
13 Water Finance Committee created by Section 79802.

14 (d) “Delta” means the Sacramento-San Joaquin Delta, as defined  
15 in Section 85058.

16 (e) “Delta conveyance facilities” means facilities that convey  
17 water directly from the Sacramento River to the State Water Project  
18 or the federal Central Valley Project pumping facilities in the south  
19 Delta.

20 (f) “Delta counties” means the Counties of Contra Costa,  
21 Sacramento, San Joaquin, Solano, and Yolo.

22 (g) “Department” means the Department of Water Resources.

23 (h) “Director” means the Director of Water Resources.

24 (i) “Disadvantaged community” has the meaning set forth in  
25 subdivision (a) of Section 79505.5.

26 (j) “Dry weather runoff” means surface waterflow produced by  
27 nonstormwater resulting from residential, commercial, and  
28 industrial activities involving the use of potable and nonpotable  
29 water.

30 (k) “Fund” means the Clean, Safe, and Reliable Drinking Water  
31 Fund of 2014 created by Section 79717.

32 (l) “Integrated regional water management plan” has the  
33 meaning set forth in Section 10534.

34 (m) “Nonprofit organization” means an organization qualified  
35 to do business in California and qualified under Section 501(c)(3)  
36 of Title 26 of the United States Code.

37 (n) “Public agency” means a state agency or department, district,  
38 joint powers authority, city, county, city and county, or other  
39 political subdivision of the state.

(o) “Rainwater” has the meaning set forth in subdivision (c) of Section 10573.

(p) “Secretary” means the Secretary of the Natural Resources Agency.

(q) “Severely disadvantaged community” has the meaning set forth in subdivision (n) of Section 116760.20 of the Health and Safety Code.

(r) “Small community water system” means a community water system that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons.

(s) “State board” means the State Water Resources Control Board.

(t) “State General Obligation Bond Law” means the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code).

(u) “State small water system” has the meaning set forth in subdivision (n) of Section 116275 of the Health and Safety Code.

(v) “Stormwater” has the meaning set forth in subdivision (e) of Section 10573.

#### CHAPTER 4. GENERAL PROVISIONS

79705. An amount that equals not more than 5 percent of the funds allocated for a financial assistance program pursuant to this division may be used to pay the administrative costs of that program.

79706. Unless otherwise specified, up to 10 percent of funds allocated for each program funded by this division may be expended for planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program. This section shall not otherwise restrict funds ordinarily used by an agency for “preliminary plans,” “working drawings,” and “construction” as defined in the annual Budget Act for a capital outlay project or grant project. Water quality monitoring data shall be collected and reported to the state board in a manner that is compatible and consistent with surface water monitoring data systems or groundwater monitoring data systems administered by the state board. Watershed monitoring data shall be collected and reported to the Department of Conservation in a

1 manner that is compatible and consistent with the statewide  
2 watershed program data system administered by the Department  
3 of Conservation.

4 79707. Chapter 3.5 (commencing with Section 11340) of Part  
5 1 of Division 3 of Title 2 of the Government Code does not apply  
6 to the development or implementation of programs or projects  
7 authorized or funded under this division other than Chapter 9  
8 (commencing with Section 79760).

9 79708. (a) Before disbursing grants or loans pursuant to this  
10 division, each state agency that receives an appropriation from the  
11 funding made available by this division to administer a competitive  
12 grant or loan program under this division shall develop and adopt  
13 project solicitation and evaluation guidelines. The guidelines shall  
14 include monitoring and reporting requirements and may include  
15 a limitation on the dollar amount of grants or loans to be awarded.  
16 If the state agency previously has developed and adopted project  
17 solicitation and evaluation guidelines that comply with the  
18 requirements of this subdivision, it may use those guidelines.

19 (b) Before disbursing grants or loans, the state agency shall  
20 conduct three public meetings to consider public comments prior  
21 to finalizing the guidelines, as the implementing state agency  
22 determines to be necessary. The state agency shall publish the draft  
23 solicitation and evaluation guidelines on its Internet Web site at  
24 least 30 days before any public meetings held pursuant to this  
25 subdivision. Upon adoption, the state agency shall transmit copies  
26 of the guidelines to the fiscal committees and the appropriate policy  
27 committees of the Legislature.

28 79709. It is the intent of the people that:

29 (a) The investment of public funds pursuant to this division will  
30 result in public benefits that address the most critical statewide  
31 needs and priorities for public funding.

32 (b) Beneficiaries pay for the benefits they receive from projects  
33 funded pursuant to this division.

34 (c) In the appropriation and expenditure of funding authorized  
35 by this division, priority will be given to projects that leverage  
36 private, federal, or local funding or produce the greatest public  
37 benefit.

38 (d) A funded project advances the purposes of the chapter from  
39 which the project received funding.

1 (e) In making decisions regarding water resources, state and  
2 local water agencies use the best available science to inform those  
3 decisions.

4 (f) Special consideration will be given to projects that employ  
5 new or innovative technology or practices, including decision  
6 support tools that support the integration of multiple jurisdictions,  
7 including, but not limited to, water supply, flood control, land use,  
8 and sanitation.

9 (g) Except as provided in Sections 79726 and 79727, the costs  
10 of stewardship, operation, and maintenance of the projects funded  
11 by this division will be paid from other sources of revenue that are  
12 sustainable over the long term.

13 (h) Evaluation of projects considered for funding pursuant to  
14 this division will include review by professionals in the fields  
15 relevant to the proposed project.

16 (i) To the extent practicable, a project supported by funds made  
17 available by this division will include signage informing the public  
18 that the project received funds from the Clean, Safe, and Reliable  
19 Drinking Water Act of 2014.

20 (j) Projects funded with proceeds from this division will be  
21 consistent with Division 7 (commencing with Section 13000) of  
22 this code and Section 13100 of the Government Code.

23 79710. (a) The California State Auditor shall annually conduct  
24 a programmatic review and an audit of expenditures from the fund.

25 (b) Notwithstanding Section 10231.5 of the Government Code,  
26 the California State Auditor shall report its findings annually on  
27 or before March 1 to the Governor and the Legislature, and shall  
28 make the findings available to the public.

29 (c) If an audit, required by statute, of a public agency that  
30 receives funding authorized by this division is conducted pursuant  
31 to state law and reveals any impropriety, the California State  
32 Auditor or the Controller may conduct a full audit of any or all of  
33 the activities of the public agency.

34 (d) The state agency issuing any grant or loan with funding  
35 authorized by this division shall require adequate reporting of the  
36 expenditures of the funding from the grant or loan.

37 79711. (a) Funds provided by this division shall not be  
38 expended to support or pay for the costs of project or permit  
39 specific environmental mitigation measures except as part of the  
40 environmental mitigation costs of projects financed by this division.



1 Funds provided by this division may be used for environmental  
2 enhancements or other public benefits.

3 (b) Funds provided by this division shall not be expended for  
4 the acquisition or transfer of water rights except for a dedication  
5 of water approved in accordance with Section 1707.

6 (c) Funds provided by this division shall not be expended to  
7 support or pay for penalties or correcting violations.

8 79712. Funds provided by this division shall not be expended  
9 to pay the costs of the design, construction, operation, mitigation,  
10 or maintenance of Delta conveyance facilities. Those costs shall  
11 be the responsibility of the water agencies that benefit from the  
12 design, construction, operation, or maintenance of those facilities.

13 79713. (a) This division does not diminish, impair, or  
14 otherwise affect in any manner whatsoever any area of origin,  
15 watershed of origin, county of origin, or any other water rights  
16 protections, including, but not limited to, rights to water  
17 appropriated before December 19, 1914, provided under the law.  
18 This division does not limit or affect the application of Article 1.7  
19 (commencing with Section 1215) of Chapter 1 of Part 2 of Division  
20 2, Sections 10505, 10505.5, 11128, 11460, 11461, 11462, and  
21 11463, and Sections 12200 to 12220, inclusive.

22 (b) For the purposes of this division, an area that utilizes water  
23 that has been diverted and conveyed from the Sacramento River  
24 hydrologic region, for use outside the Sacramento River hydrologic  
25 region or the Delta, shall not be deemed to be immediately adjacent  
26 thereto or capable of being conveniently supplied with water  
27 therefrom by virtue or on account of the diversion and conveyance  
28 of that water through facilities that may be constructed for that  
29 purpose after January 1, 2014.

30 (c) Nothing in this division supersedes, limits, or otherwise  
31 modifies the applicability of Chapter 10 (commencing with Section  
32 1700) of Part 2 of Division 2, including petitions related to any  
33 new conveyance constructed or operated in accordance with  
34 Chapter 2 (commencing with Section 85320) of Part 4 of Division  
35 35.

36 (d) Unless otherwise expressly provided, nothing in this division  
37 supersedes, reduces, or otherwise affects existing legal protections,  
38 both procedural and substantive, relating to the state board's  
39 regulation of diversion and use of water, including, but not limited  
40 to, water right priorities, the protection provided to municipal

1 interests by Sections 106 and 106.5, and changes in water rights.  
2 Nothing in this division expands or otherwise alters the state  
3 board's existing authority to regulate the diversion and use of water  
4 or the courts' existing concurrent jurisdiction over California water  
5 rights.

6 (e) Nothing in this division shall be construed to affect the  
7 California Wild and Scenic Rivers Act (Chapter 1.4 (commencing  
8 with Section 5093.50) of Division 5 of the Public Resources Code)  
9 and funds authorized pursuant to this division shall not be available  
10 for any project that could have an adverse effect on the values  
11 upon which a wild and scenic river or any other river is afforded  
12 protections pursuant to the California Wild and Scenic Rivers Act.

13 (f) Nothing in this division supersedes, limits, or otherwise  
14 modifies the Sacramento-San Joaquin Delta Reform Act of 2009  
15 (Division 35 (commencing with Section 85000)).

16 79714. Eligible applicants under this division are public  
17 agencies, public utilities, federally recognized Indian tribes, state  
18 Indian tribes listed on the Native American Heritage Commission's  
19 California Tribal Consultation List, and nonprofit organizations.  
20 A public agency may use funding authorized by this division to  
21 benefit recipients of water from mutual water companies that  
22 operate a public water system if the funding provides public  
23 benefits. To be eligible for funding under this division, a project  
24 proposed by a public utility shall have a clear and definite public  
25 purpose, benefit its customers, and comply with Public Utilities  
26 Commission rules on government funding for public utilities.

27 79715. The Legislature may enact legislation necessary to  
28 implement programs funded by this division.

29 79716. (a) Funding made available by this division shall not  
30 be appropriated to a specific project.

31 (b) Projects funded pursuant to this division shall use the  
32 services of the California Conservation Corps or certified  
33 community conservation corps, as defined in Section 14507.5 of  
34 the Public Resources Code, whenever feasible.

35 (c) The Legislature may approve multiyear budget change  
36 proposals for appropriation of the funds authorized by this division.

37 79717. The proceeds of bonds issued and sold pursuant to this  
38 division shall be deposited into the Clean, Safe, and Reliable  
39 Drinking Water Fund of 2014, which is hereby created in the State  
40 Treasury.

1 79718. Each state agency that receives an appropriation of  
2 funding made available by this division shall be responsible for  
3 establishing metrics of success and reporting the status of projects  
4 and all uses of the funding on the state's bond accountability  
5 Internet Web site, as provided by statute.

6 79719. All references in this division to other provisions of  
7 law shall incorporate those provisions as they may be amended.

8  
9 CHAPTER 5. CLEAN AND SAFE DRINKING WATER  
10

11 79720. The sum of one billion dollars (\$1,000,000,000) shall  
12 be available, upon appropriation by the Legislature from the fund,  
13 to the state board for expenditures, grants, and loans for projects  
14 that improve water quality or help provide clean and safe drinking  
15 water to all Californians.

16 79721. The projects eligible for funding pursuant to this chapter  
17 shall help improve water quality for a beneficial use. The purposes  
18 of this chapter are to:

19 (a) Reduce contaminants in drinking water supplies regardless  
20 of the source of the water or the contamination, including the  
21 assessment and prioritization of the risk to the safety of drinking  
22 water supplies.

23 (b) Address the critical and immediate needs of disadvantaged,  
24 rural, or small communities that suffer from contaminated drinking  
25 water supplies, including, but not limited to, projects that address  
26 a public health emergency.

27 (c) Leverage other private, federal, state, and local drinking  
28 water quality and wastewater treatment funds.

29 (d) Reduce contaminants in discharges to, and improve the  
30 quality of, surface water streams.

31 (e) Improve water quality of surface water streams, including  
32 multibenefit stormwater quality projects.

33 (f) Prevent further contamination of drinking water supplies.

34 (g) Provide disadvantaged communities with public drinking  
35 water infrastructure that provides clean and safe drinking water  
36 supplies that the community can sustain over the long term.

37 (h) Ensure access to clean, safe, and affordable drinking water  
38 for California's communities.

(i) Meet primary or secondary safe drinking water standards or remove contaminants identified by the state or federal government for development of a primary or secondary drinking water standard.

79722. (a) A project that receives funding under this chapter shall be selected by a competitive grant or loan process with added consideration for those projects that leverage private, federal, or local funding. This subdivision shall not apply to projects for the purposes of Section 79727 that address a public health priority for which no other source of funding can be identified.

(b) The state board shall assess the capacity of a community to pay for the operation and maintenance of the facility to be funded.

(c) A project that receives funding authorized by this chapter may be implemented by any public water system or other public water agency.

79723. An applicant for a project to clean up a groundwater aquifer shall demonstrate that a public agency has authority to manage the water resources in that aquifer in order to be eligible for funding pursuant to this chapter. This section does not apply to projects that install treatment facilities at the wellhead, customer connection, or the tap.

79724. The contaminants that may be addressed with funding pursuant to this chapter may include, but shall not be limited to, nitrates, perchlorate, MTBE (methyl tertiary butyl ether), arsenic, selenium, hexavalent chromium, mercury, PCE (perchloroethylene), TCE (trichloroethylene), DCE (dichloroethene), DCA (dichloroethane), 1, 2, 3 TCP (trichloropropane), carbon tetrachloride, 1,4-dioxane, 1,4-dioxacyclohexane, nitrosodimethylamine, bromide, iron, manganese, and uranium.

79725. (a) Of the funds authorized in Section 79720, not less than four hundred million dollars (\$400,000,000) shall be available for deposit in the State Water Pollution Control Revolving Fund Small Community Grant Fund created pursuant to Section 13477.6 for grants for wastewater treatment projects. Priority shall be given to projects that serve disadvantaged communities and severely disadvantaged communities, and to projects that address public health hazards. Projects may include, but not be limited to, projects that identify, plan, design, and implement regional mechanisms to consolidate wastewater systems or provide affordable treatment technologies.

1 (b) The state board may expend up to ten million dollars  
2 (\$10,000,000) of the funds allocated in subdivision (a) for technical  
3 assistance to eligible communities.

4 79726. (a) Of the funds authorized in Section 79720, one  
5 hundred million dollars (\$100,000,000) shall be available for  
6 deposit in the Emergency Clean Water Grant Fund, established  
7 pursuant to Section 116475 of the Health and Safety Code, for  
8 grants, loans, and direct expenditures to finance public health  
9 emergencies and urgent actions, as may be determined by the  
10 Legislature, to ensure that safe drinking water supplies are available  
11 to all Californians. Eligible projects include, but are not limited  
12 to, the following:

13 (1) Providing interim water supplies where necessary to protect  
14 public health. For the purposes of this subdivision, “interim” means  
15 the limited period of time needed to address the identified urgent  
16 need for safe drinking water, not to exceed three years.

17 (2) Planning, designing, and constructing projects that improve  
18 or replace existing water systems to provide safe, reliable,  
19 accessible, and affordable drinking water, provide other sources  
20 of safe drinking water, including, but not limited to, replacement  
21 wells, and prevent contamination.

22 (3) Establishing connections to an adjacent water system.

23 (4) The design, purchase, installation, and initial operating costs  
24 for interim water treatment equipment and systems. For the  
25 purposes of this subdivision, “initial operating costs” means those  
26 initial, eligible, and reimbursable costs under an agreement for  
27 interim water treatment equipment and systems that are incurred  
28 up to, and including, initial startup testing of the equipment and  
29 systems. Initial operating costs are eligible to receive funding  
30 pursuant to this section for a period not to exceed one year.

31 (b) The state board may expend up to ten million dollars  
32 (\$10,000,000) for grants and loans to address the water quality  
33 needs of domestic well owners that have no other source of funding  
34 and serve members of a disadvantaged community.

35 (c) Any funds allocated pursuant to this section to an  
36 investor-owned utility regulated by the Public Utilities Commission  
37 or for the benefit of a mutual water company shall be expended  
38 for the benefit of the ratepayers or the public, not the investors,  
39 and the utility or company shall not charge the water system’s

1 ratepayers for the same water infrastructure improvements funded  
2 by this section.

3 79727. (a) (1) Of the funds authorized in Section 79720, four  
4 hundred million dollars (\$400,000,000) shall be available for grants  
5 and loans for public water system infrastructure improvements  
6 and related actions to meet safe drinking water standards, ensure  
7 affordable drinking water, or both. Priority shall be given to  
8 projects that provide treatment for contamination or access to an  
9 alternate drinking water source or sources for small community  
10 water systems or state small water systems in disadvantaged  
11 communities whose drinking water source is impaired by chemical  
12 and nitrate contaminants and other health hazards identified by  
13 the implementing agency. Eligible recipients serve disadvantaged  
14 communities and are public agencies or incorporated mutual water  
15 companies. The state board may make grants for the purpose of  
16 financing feasibility studies and to meet the eligibility requirements  
17 for a construction grant. Eligible expenses may include initial  
18 operation and maintenance costs for systems serving disadvantaged  
19 communities, for a period not to exceed two years. Special  
20 consideration shall be given to projects that provide shared  
21 solutions for multiple communities, at least one of which is a  
22 disadvantaged community that lacks safe, affordable drinking  
23 water and is served by a small community water system, state  
24 small water system, or a private well. Construction grants shall be  
25 limited to five million dollars (\$5,000,000) per project, except that  
26 the implementing agency may set a limit of not more than twenty  
27 million dollars (\$20,000,000) for projects that provide regional  
28 benefits or are shared among multiple entities, at least one of which  
29 shall be a disadvantaged community. Not more than 25 percent of  
30 a grant may be awarded in advance of actual expenditures.

31 (2) For the purposes of this subdivision, “initial operation and  
32 maintenance costs” means those initial, eligible, and reimbursable  
33 costs under a construction funding agreement that are incurred up  
34 to, and including, initial startup testing of the constructed project  
35 in order to deem the project complete. Initial operation and  
36 maintenance costs are eligible to receive funding pursuant to this  
37 section for a period not to exceed two years.

38 (b) The state board may expend up to twenty-five million dollars  
39 (\$25,000,000) of the funds allocated in subdivision (a) for technical  
40 assistance to eligible communities.

(c) The state board shall deposit two million five hundred thousand dollars (\$2,500,000) of the funds available pursuant to this section into the Drinking Water Capital Reserve Fund, which is hereby created in the State Treasury. Moneys in the fund shall be available, upon appropriation by the Legislature, and shall be administered by the state board for the purpose of serving as matching funds for disadvantaged communities. The state board shall develop criteria to implement this subdivision.

79728. Of the funds authorized in Section 79720, up to one hundred million dollars (\$100,000,000) shall be available for grants and loans for treatment and remediation activities that prevent or reduce the contamination of groundwater that serves as a source of drinking water.

79729. (a) For the purposes of awarding funding under this chapter, a local cost share of not less than 25 percent of the total costs of the project shall be required. The cost-sharing requirement may be waived or reduced for projects that directly benefit a disadvantaged community.

(b) At least 10 percent of the funds available pursuant to this chapter shall be allocated for projects serving severely disadvantaged communities.

(c) Funding authorized pursuant to this chapter shall include funding for technical assistance to disadvantaged communities. The agency administering this funding shall operate a multidisciplinary technical assistance program for small and disadvantaged communities.

(d) Funding for planning activities, including technical assistance, to benefit disadvantaged communities may exceed 10 percent of the funds allocated, subject to the determination of the need for additional planning funding by the state agency administering the funding.

#### CHAPTER 6. PROTECTING RIVERS, LAKES, STREAMS, COASTAL WATERS, AND WATERSHEDS

79730. The sum of one billion five hundred million dollars (\$1,500,000,000) shall be available, upon appropriation by the Legislature from the fund, in accordance with this chapter, for expenditures and grants for multibenefit ecosystem and watershed

1 protection and restoration projects that protect and improve  
2 California watersheds, wetlands, forests, and flood plains.

3 79731. (a) Of the funds made available by this chapter, seven  
4 hundred fifty million dollars (\$750,000,000) shall be available for  
5 appropriation as follows:

6 (1) Baldwin Hills Conservancy: eight million six hundred  
7 thousand dollars (\$8,600,000).

8 (2) California Tahoe Conservancy: twenty-five million seven  
9 hundred thousand dollars (\$25,700,000).

10 (3) Coachella Valley Mountains Conservancy: seventeen million  
11 one hundred thousand dollars (\$17,100,000).

12 (4) San Diego River Conservancy: eight million six hundred  
13 thousand dollars (\$8,600,000).

14 (5) San Gabriel and Lower Los Angeles Rivers and Mountains  
15 Conservancy: thirty-four million three hundred thousand dollars  
16 (\$34,300,000).

17 (6) San Joaquin River Conservancy: seventeen million one  
18 hundred thousand dollars (\$17,100,000).

19 (7) Santa Monica Mountains Conservancy: fifty-five million  
20 seven hundred thousand dollars (\$55,700,000).

21 (8) Sierra Nevada Conservancy: fifty-five million seven hundred  
22 thousand dollars (\$55,700,000).

23 (9) State Coastal Conservancy: three hundred million dollars  
24 (\$300,000,000).

25 (10) Wildlife Conservation Board: one hundred eighty-four  
26 million three hundred thousand dollars (\$184,300,000).

27 (11) California Ocean Protection Council: forty-two million  
28 nine hundred thousand dollars (\$42,900,000).

29 (b) Of the funds allocated to the State Coastal Conservancy  
30 pursuant to paragraph (9) of subdivision (a), one hundred seven  
31 million dollars one hundred thousand dollars (\$107,100,000) are  
32 available as follows:

33 (1) Forty-two million eight hundred thousand dollars  
34 (\$42,800,000) shall be available for projects that help restore  
35 coastal salmonid populations.

36 (2) Sixty-four million three hundred thousand dollars  
37 (\$64,300,000) shall be available for flood control projects on public  
38 lands that provide critical flood, water quality, and wetland  
39 ecosystem benefits to the San Francisco Bay region.



1     79732. In protecting and restoring California rivers, lakes,  
2 streams, and watersheds, the purposes of this chapter are to:

3     (a) Protect and increase the economic benefits arising from  
4 healthy watersheds, fishery resources, and instream flow.

5     (b) Implement watershed adaptation projects in order to reduce  
6 the impacts of climate change on California's communities and  
7 ecosystems.

8     (c) Restore river parkways throughout the state, including, but  
9 not limited to, projects pursuant to the California River Parkways  
10 Act of 2004 (Chapter 3.8 (commencing with Section 5750) of  
11 Division 5 of the Public Resources Code), in the Urban Streams  
12 Restoration Program established pursuant to Section 7048, and  
13 urban river greenways.

14     (d) Protect and restore aquatic, wetland, and migratory bird  
15 ecosystems, including fish and wildlife corridors and the  
16 acquisition of water rights for instream flow pursuant to Section  
17 1707.

18     (e) Fulfill the obligations of the State of California in complying  
19 with the terms of multiparty settlement agreements related to water  
20 resources.

21     (f) Remove barriers to fish passage.

22     (g) Collaborate with federal agencies in the protection of fish  
23 native to California and wetlands in the central valley of California.

24     (h) Implement fuel treatment projects to reduce wildfire risks,  
25 protect watersheds tributary to water storage facilities, and promote  
26 watershed health.

27     (i) Protect and restore rural and urban watershed health to  
28 improve watershed storage capacity, forest health, protection of  
29 life and property, stormwater resource management, and  
30 greenhouse gas reduction.

31     (j) Promote access and recreational opportunities to watersheds  
32 and waterways that are compatible with habitat values and water  
33 quality objectives.

34     (k) Promote educational opportunities to instruct and inform  
35 Californians, including young people, about the value of  
36 watersheds.

37     (l) Protect and restore coastal watersheds, including, but not  
38 limited to, bays, marine estuaries, and nearshore ecosystems.

39     (m) Reduce pollution or contamination of rivers, lakes, streams,  
40 or coastal waters, prevent and remediate mercury contamination

1 from legacy mines, and protect or restore natural system functions  
2 that contribute to water supply, water quality, or flood management.

3 (n) Assist in the recovery of endangered, threatened, or  
4 migratory species by improving watershed health, instream flows  
5 pursuant to Section 1707, fish passage, coastal or inland wetland  
6 restoration, or other means, such as natural community  
7 conservation plan and habitat conservation plan implementation.

8 (o) Promote urban forestry pursuant to the Urban Forest Act of  
9 1978 (Chapter 2 (commencing with Section 4799.06) of Part 2.5  
10 of Division 4 of the Public Resources Code).

11 79733. For restoration and ecosystem protection projects under  
12 this chapter, the services of the California Conservation Corps or  
13 a local conservation corps certified by the California Conservation  
14 Corps shall be used whenever feasible.

15 79734. (a) (1) Notwithstanding Section 79711, of the funds  
16 authorized in Section 79730, five hundred million dollars  
17 (\$500,000,000) shall be available for appropriation to the secretary  
18 to fulfill the obligations of the State of California in complying  
19 with the terms of any of the following:

20 (A) The February 18, 2010, Klamath Basin Restoration  
21 Agreement or Klamath Hydroelectric Settlement Agreement.

22 (B) Chapters 611, 612, and 613 of the Statutes of 2003, which  
23 were enacted to facilitate the execution and implementation of the  
24 Quantification Settlement Agreement, including restoration of the  
25 Salton Sea.

26 (C) The San Joaquin River Restoration Settlement, as described  
27 in Part I of Subtitle A of Title X of Public Law 111-11.

28 (D) Section 3406(d) of Title 34 of Public Law 102-575.

29 (E) The Tahoe Regional Planning Compact set forth in Section  
30 66801 of the Government Code pursuant to Title 7.42 (commencing  
31 with Section 66905) of the Government Code.

32 (2) Expenditures funded by this subdivision shall comply with  
33 Section 16727 of the Government Code.

34 (b) Of the funds authorized in Section 79730, two hundred fifty  
35 million dollars (\$250,000,000) shall be available for appropriation  
36 to the secretary for a competitive program to fund multibenefit  
37 watershed and urban rivers enhancement projects in urban  
38 watersheds, including watersheds that drain into the San Francisco  
39 Bay, that increase regional and local water self-sufficiency, and  
40 that meet at least two or more of the following objectives:

- 1 (1) Promote groundwater recharge and water reuse.
- 2 (2) Reduce energy consumption.
- 3 (3) Use soils, plants, and natural processes to treat runoff.
- 4 (4) Create or restore native habitat.
- 5 (5) Increase regional and local resiliency and adaptability to
- 6 climate change.

7 (c) The program described in subdivision (b) shall be  
8 implemented by state conservancies, the Wildlife Conservation  
9 Board, or other entities designated by the secretary whose  
10 jurisdiction includes urban watersheds. The projects are subject  
11 to a plan developed jointly by the conservancies, the Wildlife  
12 Conservation Board, or other designated entities in consultation  
13 with the secretary.

14 (d) At least 25 percent of the funds available pursuant to this  
15 section shall be allocated for projects that benefit disadvantaged  
16 communities.

17 (e) Up to 10 percent of the funds available pursuant to this  
18 section may be allocated for project planning.

19 79735. For the purposes of this chapter, the terms “protection”  
20 and “restoration” have the meanings set forth in Section 75005 of  
21 the Public Resources Code.

22  
23 CHAPTER 7. CLIMATE CHANGE AND DROUGHT PREPAREDNESS  
24 FOR REGIONAL WATER RELIABILITY  
25

26 79740. The sum of two billion dollars (\$2,000,000,000) shall  
27 be available, upon appropriation by the Legislature from the fund,  
28 for expenditures and competitive grants and loans to projects that  
29 respond to climate change and contribute to regional water security  
30 as provided in this chapter.

31 79741. In order to improve regional water self-reliance and  
32 adapt to the effects on water supply arising out of climate change,  
33 the purposes of this chapter are to:

34 (a) Help water infrastructure systems adapt to climate change,  
35 including, but not limited to, sea level rise.

36 (b) Provide incentives for water agencies throughout each  
37 watershed to collaborate in managing the region’s water resources  
38 and setting regional priorities for water infrastructure.

39 (c) Improve regional water self-reliance, including projects  
40 consistent with Section 85021.

1 79742. (a) In selecting among proposed projects in a  
2 watershed, the scope of the adopted integrated regional water  
3 management plan may be considered by the administering state  
4 agency, with priority going to projects in plans that cover a greater  
5 portion of the watershed. If a plan covers substantially all of the  
6 watershed, then the plan's project priorities shall be given deference  
7 if the project and plan otherwise meet the requirements of this  
8 division and the Integrated Regional Water Management Planning  
9 Act of 2002 (Part 2.2 (commencing with Section 10530) of  
10 Division 6).

11 (b) An urban water supplier that does not prepare, adopt, and  
12 submit its urban water management plan in accordance with the  
13 Urban Water Management Planning Act (Part 2.6 (commencing  
14 with Section 10610) of Division 6) is ineligible to apply for funds  
15 made available pursuant to this chapter until the urban water  
16 management plan is prepared and submitted in accordance with  
17 the requirements of that act. The department shall certify that an  
18 urban water management plan meets the requirements of the Urban  
19 Water Management Planning Act and Sections 10608.56 and  
20 10631.5 before awarding any grants or loans pursuant to this  
21 chapter.

22 (c) An agricultural water supplier that does not prepare, adopt,  
23 and submit its agricultural water management plan in accordance  
24 with the Agricultural Water Management Planning Act (Part 2.8  
25 (commencing with Section 10800) of Division 6) is ineligible to  
26 apply for funds made available pursuant to this chapter until the  
27 agricultural water management plan is prepared and submitted in  
28 accordance with the requirements of that act. The department shall  
29 certify that an agricultural water management plan meets the  
30 requirements of the Agricultural Water Management Planning Act  
31 and Section 10608.56 before awarding any grants or loans pursuant  
32 to this chapter.

33 (d) A local agency that does not prepare, adopt, and submit its  
34 groundwater management plan in accordance with Part 2.75  
35 (commencing with Section 10750) of Division 6 is ineligible to  
36 apply for funds made available pursuant to this chapter until the  
37 plan is prepared and submitted in accordance with the requirements  
38 of that part. The department shall certify that a groundwater  
39 management plan meets the requirements of that part and Section

1 10753.7 before awarding any grants or loans pursuant to this  
2 chapter.

3 (e) For the purposes of awarding funding under this chapter, a  
4 cost share from nonstate sources of not less than 25 percent of the  
5 total costs of the project shall be required. The cost sharing  
6 requirement may be waived or reduced for projects that directly  
7 benefit a disadvantaged community.

8 (f) Not less than 10 percent of the funds authorized by this  
9 chapter shall be allocated to projects that directly benefit  
10 disadvantaged communities.

11 (g) For the purposes of awarding funding under Section 79744,  
12 the applicant shall demonstrate that the integrated regional water  
13 management plan the applicant's project implements contributes  
14 to addressing the risks in the region to water supply and water  
15 infrastructure arising from climate change.

16 (h) Projects that achieve multiple benefits shall receive special  
17 consideration.

18 79743. Subject to the determination of regional priorities by  
19 the regional water management group and the purposes described  
20 in Section 79741, projects eligible for funding allocated regionally  
21 by Section 79744 shall be regional projects or programs, as defined  
22 in Section 10537, and may include, but are not limited to, projects  
23 that promote any of the following:

24 (a) Water reuse and recycling for nonpotable reuse and direct  
25 and indirect potable reuse.

26 (b) Water-use efficiency and water conservation.

27 (c) Local and regional surface and underground water storage,  
28 including groundwater aquifer cleanup or recharge projects.

29 (d) Regional water conveyance facilities that improve integration  
30 of separate water systems.

31 (e) Watershed protection, restoration, and management projects,  
32 including projects that reduce the risk of wildfire or improve water  
33 supply reliability or water quality.

34 (f) Stormwater resource management plans and projects pursuant  
35 to the Stormwater Resource Planning Act (Part 2.3 (commencing  
36 with Section 10560) of Division 6).

37 (g) Conjunctive use of surface and groundwater storage  
38 facilities.

39 (h) Water desalination projects.

1 (i) Improvement of water quality, including drinking water  
2 treatment and distribution, groundwater and aquifer remediation,  
3 matching water quality to water use, wastewater treatment, water  
4 pollution prevention, and management of urban and agricultural  
5 runoff.

6 79744. (a) Of the funds authorized in Section 79740, the sum  
7 of one billion dollars (\$1,000,000,000) shall be administered  
8 according to this section.

9 (b) Funds made available pursuant to this section shall be  
10 available for appropriation to, and shall be administered by, the  
11 department in close collaboration with the state board. Specific  
12 project and planning grant awards shall be selected jointly by the  
13 director and chair of the state board.

14 (c) Funds shall be allocated to the hydrologic regions as  
15 identified in the California Water Plan in accordance with this  
16 section. For the South Coast hydrologic region, the department  
17 shall establish three funding areas that reflect the watersheds of  
18 San Diego County and southern Orange County (designated as the  
19 San Diego subregion), the Santa Ana River watershed (designated  
20 as the Santa Ana subregion), and the Los Angeles and Ventura  
21 County watersheds (designated as the Los Angeles subregion),  
22 and shall allocate funds to those areas in accordance with this  
23 subdivision. The North and South Lahontan hydrologic regions  
24 shall be treated as one area for the purpose of allocating funds. For  
25 purposes of this subdivision, the Sacramento River hydrologic  
26 region does not include the Delta. For purposes of this subdivision,  
27 the Mountain Counties Overlay is not eligible for funds from the  
28 Sacramento River hydrologic region or the San Joaquin River  
29 hydrologic region. Multiple integrated regional water management  
30 plans may be recognized in each of the areas allocated funding.

31 (d) Funds described in this section shall be allocated as follows:

32 (1) Forty-five million dollars (\$45,000,000) for the North Coast  
33 hydrologic region.

34 (2) One hundred thirty-two million dollars (\$132,000,000) for  
35 the San Francisco Bay hydrologic region.

36 (3) Fifty-eight million dollars (\$58,000,000) for the Central  
37 Coast hydrologic region.

38 (4) One hundred ninety-eight million dollars (\$198,000,000)  
39 for the Los Angeles subregion.

1 (5) One hundred nineteen million dollars (\$119,000,000) for  
2 the Santa Ana subregion.

3 (6) Ninety-six million dollars (\$96,000,000) for the San Diego  
4 subregion.

5 (7) Seventy-six million dollars (\$76,000,000) for the Sacramento  
6 River hydrologic region.

7 (8) Sixty-four million dollars (\$64,000,000) for the San Joaquin  
8 River hydrologic region.

9 (9) Seventy million dollars (\$70,000,000) for the Tulare/Kern  
10 hydrologic region.

11 (10) Fifty-one million dollars (\$51,000,000) for the North/South  
12 Lahontan hydrologic region.

13 (11) Forty-seven million dollars (\$47,000,000) for the Colorado  
14 River Basin hydrologic region.

15 (12) Forty-four million dollars (\$44,000,000) for the Mountain  
16 Counties Overlay.

17 (e) Funds allocated pursuant to this section may be used for the  
18 purposes described in Sections 79745 and 79747.

19 79745. (a) Of the funds authorized by Section 79740, two  
20 hundred fifty million dollars (\$250,000,000) shall be available for  
21 appropriation to the department for direct expenditures, grants,  
22 and loans for water conservation and water use efficiency plans,  
23 projects, and programs, including either of the following:

24 (1) Urban water conservation plans, projects, and programs,  
25 including regional projects and programs, implemented to achieve  
26 urban water use targets developed pursuant to Section 10608.20.  
27 Priority for funding shall be given to programs that do any of the  
28 following:

29 (A) Assist water suppliers and regions to implement  
30 conservation programs and measures that are not locally cost  
31 effective.

32 (B) Support water supplier and regional efforts to implement  
33 programs targeted to enhance water use efficiency for commercial,  
34 industrial, and institutional water users.

35 (C) Assist water suppliers and regions with programs and  
36 measures targeted toward realizing the conservation benefits of  
37 implementation of the provisions of the state landscape model  
38 ordinance.

39 (2) Agricultural water management plans or agricultural water  
40 use efficiency projects and programs developed pursuant to Part

1 2.8 (commencing with Section 10800) of Division 6. Of the funds  
2 provided by this section, one hundred million dollars  
3 (\$100,000,000) shall be available for improving on-farm water  
4 use efficiency, including, but not limited to, drip irrigation.

5 (b) Section 1011 applies to all conservation measures that an  
6 agricultural water supplier or an urban water supplier implements  
7 with funding under this chapter. This subdivision does not limit  
8 the application of Section 1011 to any other measures or projects  
9 implemented by a water supplier.

10 (c) For purposes of this section, funded projects shall not be  
11 required to comply with the requirements of the Integrated  
12 Regional Water Management Planning Act of 2002 (Part 2.2  
13 (commencing with Section 10530) of Division 6). The funding  
14 available pursuant to this section may be appropriated to an  
15 integrated regional water management program or plan.

16 79746. Of the funds authorized by Section 79740, five hundred  
17 million dollars (\$500,000,000) shall be available to the state board,  
18 upon appropriation by the Legislature from the fund, for grants  
19 and low-interest loans for water recycling and advanced treatment  
20 technology projects, including all of the following:

21 (a) Water recycling projects, including, but not limited to,  
22 treatment, storage, conveyance, and distribution facilities for  
23 potable and nonpotable recycling projects.

24 (b) Contaminant and salt removal projects, including, but not  
25 limited to, groundwater and seawater desalination and associated  
26 treatment, storage, conveyance, and distribution facilities.

27 (c) Dedicated distribution infrastructure to serve residential,  
28 agricultural, commercial, and industrial end-users to allow the use  
29 of recycled water.

30 (d) Pilot projects for new salt and contaminant removal  
31 technology.

32 (e) Groundwater recharge infrastructure related to recycled  
33 water.

34 (f) Technical assistance and grant writing assistance for  
35 disadvantaged communities.

36 (g) For projects funded pursuant to this section, at least a 25  
37 percent local cost share shall be required. That cost share may be  
38 suspended or reduced for disadvantaged communities.

39 (h) Water supply reliability improvement for critical urban water  
40 supplies in designated superfund areas with groundwater



1 contamination listed on the National Priorities List established  
2 pursuant to Section 105 of the Comprehensive Environmental  
3 Response, Compensation, and Liability Act of 1980 (42 U.S.C.  
4 Sec. 9605(a)(8)(B)).

5 (i) Projects funded pursuant to this section shall be selected on  
6 a competitive basis, considering all of the following criteria:

7 (1) Regional water supply reliability improvement.

8 (2) Water quality and ecosystem benefits related to decreased  
9 reliance on diversions from the Delta or instream flows.

10 (3) Public health benefits from improved drinking water quality.

11 (4) Cost effectiveness.

12 (5) Energy efficiency and greenhouse gas emission impacts.

13 (6) Reasonable geographic allocation to eligible projects  
14 throughout the state, including both northern and southern  
15 California and coastal and inland regions.

16 (j) For the purposes of this section, eligible projects shall  
17 implement a plan or strategy by one or more regional water  
18 agencies or integrated regional water management groups to  
19 incorporate water recycling or advanced treatment technology into  
20 the region's water supplies.

21 (k) For purposes of this section, competitive programs shall be  
22 implemented consistent with water recycling programs  
23 administered pursuant to Sections 79140 and 79141 or consistent  
24 with desalination programs administered pursuant to Sections  
25 79545 and 79547.2.

26 (l) For purposes of this section, funded projects shall not be  
27 required to comply with the requirements of the Integrated  
28 Regional Water Management Planning Act of 2002 (Part 2.2  
29 (commencing with Section 10530) of Division 6).

30 79747. (a) Of the funds authorized by Section 79740, two  
31 hundred fifty million dollars (\$250,000,000) shall be available for  
32 appropriation to the state board for grants and loans for projects  
33 that develop, implement, or improve a stormwater capture and  
34 reuse plan consistent with Part 2.3 (commencing with Section  
35 10560) of Division 6 and that capture and put to beneficial use  
36 stormwater or dry weather runoff.

37 (b) Stormwater capture and reuse projects developed pursuant  
38 to an adopted integrated regional water management plan in  
39 compliance with Part 2.2 (commencing with Section 10530) of  
40 Division 6 are also eligible for funding under this section if those

1 projects were identified and developed in substantive compliance  
2 with Part 2.3 (commencing with Section 10560) of Division 6.

3 (c) Projects eligible for funding under this section shall assist  
4 in the capture and reuse of stormwater or dry weather runoff.  
5 Eligible projects include any of the following:

6 (1) Projects that capture, convey, treat, or put to beneficial use  
7 stormwater or dry weather runoff.

8 (2) The development of stormwater capture and reuse plans  
9 pursuant to Part 2.3 (commencing with Section 10560) of Division  
10 6.

11 (3) Decision support tools, data acquisition, and data analysis  
12 to identify and evaluate the benefits and costs of potential  
13 stormwater capture and reuse projects.

14 (4) Projects that, in addition to capturing and reusing stormwater  
15 or dry weather runoff, improve water quality, provide public  
16 benefits, such as augmentation of water supply, flood control, open  
17 space, and recreation, and projects designed to mimic or restore  
18 natural watershed functions.

19 (d) The state board shall grant special consideration to plans or  
20 projects that provide multiple benefits such as water quality, water  
21 supply, flood control, natural lands, or recreation.

22 (e) The state board shall require a 25 percent local cost share  
23 for grant funds, but may suspend or reduce the matching  
24 requirements for projects that capture or reuse stormwater or dry  
25 weather runoff in disadvantaged communities.

26 (f) The state board shall adopt a policy establishing criteria for  
27 projects funded by this section to ensure that a project funded  
28 pursuant to this section complies with water quality laws and does  
29 not put at risk any groundwater or surface water supplies.

30 79748. In order to receive funding authorized by this chapter  
31 to address groundwater quality or supply in an aquifer, the  
32 applicant shall demonstrate that a public agency has authority to  
33 manage the water resources in that aquifer. A groundwater  
34 management plan adopted and approved pursuant to Part 2.75  
35 (commencing with Section 10750) of Division 6 shall be deemed  
36 sufficient to satisfy the requirements of this section.

CHAPTER 8. SACRAMENTO-SAN JOAQUIN DELTA  
SUSTAINABILITY

79750. (a) The sum of one billion ~~dollars (\$1,000,000,000)~~  
*two hundred million dollars (\$1,200,000,000)* shall be available,  
upon appropriation by the Legislature from the fund, for grants  
and direct expenditures to improve the sustainability of the ~~Delta~~  
*as follows: Delta, as provided in this chapter.*

~~(1) Four hundred million dollars (\$400,000,000) of the funding~~  
~~available pursuant to this chapter shall be available for~~  
~~appropriation to the department for the purpose identified in~~  
~~subdivision (b) of Section 79751.~~

~~(2) Six hundred million dollars (\$600,000,000) of the funding~~  
~~available pursuant to this chapter shall be available for~~  
~~appropriation to the Sacramento-San Joaquin Delta Conservancy~~  
~~for the purposes identified in subdivisions (a) and (c) of Section~~  
~~79751.~~

~~(3) Funding available pursuant to paragraphs (1) and (2) may~~  
~~be combined to provide funding to projects that accomplish more~~  
~~than one of the purposes identified in Section 79751.~~

~~(b) This chapter provides state funding for public benefits~~  
~~associated with projects needed to assist in the Delta's~~  
~~sustainability as a vital resource for fish, wildlife, water quality,~~  
~~water supply, agriculture, and recreation.~~

~~(b) Funds allocated for one of the purposes identified in Section~~  
~~79751 may be used for a project that primarily accomplishes a~~  
~~separate identified purpose if the use of the funds fulfills the~~  
~~purposes for which the funding was allocated.~~

~~(c) Nothing in this chapter supersedes, limits, or otherwise~~  
~~modifies the Sacramento-San Joaquin Delta Reform Act of 2009~~  
~~(Division 35 (commencing with Section 85000)). The funding~~  
~~authorized by this chapter shall advance one or more of the~~  
~~objectives specified in Section 85020.~~

79751. In order to promote the sustainability and resiliency of  
the Delta, the purposes of this chapter are to:

(a) Protect, restore, and enhance the Delta ecosystem.

(b) Maintain and improve existing Delta levees.

~~(c) Promote the sustainability of the Delta economic~~  
~~sustainability and well-being of Delta residents.~~

1       79752. (a) Of the funds authorized in Section 79750, six  
2       hundred million dollars (\$600,000,000) shall be available for the  
3       purposes identified in subdivision (a) of Section 79751.

4       (b) A state agency receiving an appropriation of funds pursuant  
5       to this section shall do the following:

6       (1) Consult and coordinate with the Sacramento-San Joaquin  
7       Delta Conservancy, the Delta Protection Commission, or the  
8       relevant local government as a partner in the development and  
9       implementation of Delta ecosystem restoration projects funded by  
10      this section.

11      (2) Consult with the Delta Independent Science Board on the  
12      proposed ecosystem restoration project. A project recommended  
13      by the Delta Independent Science Board shall receive priority for  
14      an allocation of funding from the agency receiving an  
15      appropriation of funds pursuant to this section.

16      (c) Ecosystem restoration projects shall first occur on land  
17      owned by a public agency or nonprofit organization for  
18      conservation purposes as of January 1, 2014. If an ecosystem  
19      restoration project requires the use of land owned by a private  
20      party, a state agency receiving an appropriation of funds pursuant  
21      to this section shall coordinate the project's development and  
22      implementation with the landowner and the Sacramento-San  
23      Joaquin Delta Conservancy, the Delta Protection Commission, or  
24      the relevant local government. Title to lands shall, to the maximum  
25      extent possible, remain with the landowner or local agency with  
26      property management authority.

27      (d) The funds authorized in Section 79750 shall not be used to  
28      purchase water or water rights to augment instream flow in the  
29      Delta. A state agency implementing a Delta ecosystem restoration  
30      project may acquire water rights in conjunction with a land  
31      acquisition for the purpose of creating wetland habitat in the Delta.

32      (e) The funds made available pursuant to this section may be  
33      used to support the work of the Delta Independent Science Board  
34      and the Delta Science Program related to ecosystem restoration  
35      in the Delta.

36      79753. (a) Of the funds authorized in Section 79750, four  
37      hundred million dollars (\$400,000,000) shall be available for the  
38      purposes identified in subdivision (b) of Section 79751.

39      (b) The funds made available pursuant to this section shall  
40      reduce the risk of levee failure and flood in the Delta and may be

1 *expended, consistent with the Delta levee investment priorities*  
2 *recommended pursuant to Section 85306, for any of the following:*

3 *(1) Local assistance under the Delta levee maintenance*  
4 *subventions program under Part 9 (commencing with Section*  
5 *12980) of Division 6.*

6 *(2) Special flood protection projects under Chapter 2*  
7 *(commencing with Section 12310) of Part 4.8 of Division 6.*

8 *(3) Levee improvement projects that increase the resiliency of*  
9 *levees within the Delta to withstand earthquake, flooding, or sea*  
10 *level rise.*

11 *(4) Emergency response and repair projects.*

12 *(c) In developing and implementing a levee improvement project,*  
13 *the department shall pursue cost-sharing from all beneficiaries of*  
14 *the project.*

15 *(d) Net long-term habitat improvement, as provided by Part 9*  
16 *(commencing with Section 12980) of Division 6 may be*  
17 *accomplished through a habitat improvement project separate but*  
18 *related to a specific levee project funded pursuant to this section.*

19 *79754. (a) Of the funds authorized in Section 79750, two*  
20 *hundred million dollars (\$200,000,000) shall be available to either*  
21 *the Sacramento-San Joaquin Delta Conservancy or the Delta*  
22 *Protection Commission for the purposes identified in subdivision*  
23 *(c) of Section 79751.*

24 *(b) Improving economic sustainability of the Delta may include*  
25 *the following actions:*

26 *(1) Implementing the recommendations contained in the Delta*  
27 *Protection Commission's economic sustainability plan required*  
28 *by Section 29759 of the Public Resources Code.*

29 *(2) Advancing the economic well-being of Delta residents as*  
30 *described in subdivision (b) of Section 32322 of the Public*  
31 *Resources Code.*

32 *(3) Protecting and enhancing the unique cultural, recreational,*  
33 *natural resource, and agricultural values of the Delta as an*  
34 *evolving place as provided in Section 85054.*

35 *(c) The funds made available pursuant to this section may be*  
36 *transferred to the Delta Investment Fund created pursuant to*  
37 *Section 29778.5 of the Public Resources Code.*

38 ~~*79752.*~~

39 *79755. The funds authorized in Section 79750 shall not be*  
40 *used to pay the costs of a public agency exercising eminent domain*

1 to acquire or use property. All property acquired with moneys  
2 available pursuant to this chapter shall be acquired from willing  
3 sellers.

4 ~~79754.~~

5 79756. Funding authorized by this chapter for the purpose of  
6 subdivision (a) of Section 79751 may include, but is not limited  
7 to, the following:

8 (a) Projects to protect and restore native fish and wildlife  
9 dependent on the Delta ecosystem, including improvement of  
10 aquatic or terrestrial habitat or the removal or reduction of  
11 undesirable invasive species.

12 (b) Projects to reduce greenhouse gas emissions from exposed  
13 Delta soils.

14 (c) Scientific studies and assessments that support the projects  
15 authorized under this section.

16 ~~79755. (a) Funding authorized by this chapter for the purpose~~  
17 ~~of subdivision (b) of Section 79751 shall reduce the risk of levee~~  
18 ~~failure and flood in the Delta and may be expended, consistent~~  
19 ~~with the Delta levee investment priorities recommended pursuant~~  
20 ~~to Section 85306, for any of the following:~~

21 ~~(1) Local assistance under the Delta levee maintenance~~  
22 ~~subventions program under Part 9 (commencing with Section~~  
23 ~~12980) of Division 6.~~

24 ~~(2) Special flood protection projects under Chapter 2~~  
25 ~~(commencing with Section 12310) of Part 4.8 of Division 6.~~

26 ~~(3) Levee improvement projects that increase the resiliency of~~  
27 ~~levees within the Delta to withstand earthquake, flooding, or sea~~  
28 ~~level rise.~~

29 ~~(4) Emergency response and repair projects.~~

30 ~~(b) All projects funded pursuant to this section shall be subject~~  
31 ~~to Section 79050.~~

32 ~~(c) The department shall, as a part of the 2015-16 fiscal year~~  
33 ~~May budget revision, provide the Senate and Assembly Budget~~  
34 ~~Committees a proposal for implementing paragraphs (3) and (4)~~  
35 ~~of subdivision (a) including any changes to statutes necessary to~~  
36 ~~implement that proposal.~~

CHAPTER 9. WATER STORAGE FOR CLIMATE CHANGE

79760. (a) Notwithstanding Section 162, the commission may make the determinations, findings, and recommendations required of it by this chapter independent of the views of the director. All final actions by the commission in implementing this chapter shall be taken by a majority of the members of the commission at a public meeting noticed and held pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(b) The commission shall submit project status reports as requested to the Department of Finance.

(c) Projects shall be selected by the commission through a competitive public process that ranks potential projects based on the expected return for public investment as measured by the magnitude of the public benefits provided, pursuant to criteria established under this chapter.

(d) Only projects selected by the commission shall be eligible for funding authorized by this chapter. Funding authorized by this chapter shall be appropriated to the commission.

(e) The commission shall, to the extent feasible, maximize the following:

(1) Leveraging of the funding made available in this chapter with funds from federal, local, and private sources.

(2) Statewide storage benefits or regional storage benefits that promote regional self-reliance.

79761. The sum of two billion five hundred million dollars (\$2,500,000,000) shall be available, upon appropriation by the Legislature, from the fund to the commission, for expenditures, competitive grants, and loans for public benefits associated with projects that expand the state's water storage capacity.

79762. In order to expand the state's water storage capacity to address the impacts of climate change on the snow pack in the Sierra Nevada Mountains and water storage resources, the purposes of this chapter are to:

(a) Construct new surface water storage projects.

(b) Restore and expand groundwater aquifer storage capacity.

(c) Restore water storage capacity of existing surface water storage reservoirs.

1 (d) Remediate or prevent contamination of groundwater aquifers.

2 (e) Construct and expand stormwater retention facilities.

3 79763. Projects for which the public benefits are eligible for  
4 funding under this chapter consist of only the following:

5 (a) Surface storage projects identified in the CALFED Bay-Delta  
6 Program Record of Decision, dated August 28, 2000, except for  
7 projects prohibited by Chapter 1.4 (commencing with Section  
8 5093.50) of Division 5 of the Public Resources Code.

9 (b) Groundwater storage projects and groundwater  
10 contamination prevention or remediation projects that provide  
11 water storage benefits.

12 (c) Conjunctive use and reservoir reoperation projects.

13 (d) Local and regional surface storage projects that improve the  
14 operation of water systems in the state, including, but not limited  
15 to, reservoirs for storing recycled water.

16 (e) Projects that remove sediment, improve dam stability in  
17 seismic events, or otherwise restore water storage capacity in  
18 existing water storage reservoirs.

19 79764. A project in the Delta watershed shall not be funded  
20 pursuant to this chapter unless it provides measurable  
21 improvements to the Delta ecosystem.

22 79765. (a) Funds allocated pursuant to this chapter may be  
23 expended solely for the following public benefits associated with  
24 water storage projects:

25 (1) Ecosystem improvements, including changing the timing of  
26 water diversions, improvement in flow conditions, temperature,  
27 or other benefits that contribute to restoration of aquatic ecosystems  
28 and native fish and wildlife, including those ecosystems and fish  
29 and wildlife in the Delta or the Delta tributaries.

30 (2) Water quality improvements in the Delta, or in other river  
31 systems, that provide significant public trust fish and wildlife  
32 resources, or that clean up and restore groundwater resources.

33 (3) Flood control benefits, including, but not limited to, increases  
34 in flood reservation space in existing reservoirs by exchange for  
35 existing or increased water storage capacity in response to the  
36 effects of changing hydrology and decreasing snow pack on  
37 California's water and flood management system.

38 (b) Notwithstanding subdivision (a), in response to an  
39 emergency declared by the Governor, funds provided by this  
40 chapter may be used to acquire or to reimburse the costs of



1 acquiring emergency water supplies and flows for dilution and  
2 salinity repulsion following a natural disaster or act of terrorism.

3 79766. In consultation with the Department of Fish and  
4 Wildlife, the state board, and the department, the commission shall  
5 develop and adopt, by regulation, methods for quantification and  
6 management of public benefits described in Section 79765 by  
7 December 15, 2015. The regulations shall include the priorities  
8 and relative environmental value of ecosystem benefits as provided  
9 by the Department of Fish and Wildlife and the priorities and  
10 relative environmental value of water quality benefits as provided  
11 by the state board.

12 79767. (a) Except as provided in subdivision (c), funds  
13 allocated pursuant to this chapter shall not be allocated for a project  
14 until the commission approves the project based on the  
15 commission's determination that all of the following have occurred:

16 (1) The commission has adopted the regulations specified in  
17 Section 79766 and specifically quantified and made public the cost  
18 of the public benefits associated with the project.

19 (2) For projects to be constructed and operated by the  
20 department, the department has entered into a contract with each  
21 party that will derive benefits, other than public benefits, as defined  
22 in Section 79765, from the project that ensures the party will pay  
23 its share of the total costs of the project. The benefits available to  
24 a party shall be consistent with that party's share of total project  
25 costs.

26 (3) The department has entered into a contract with each public  
27 agency identified in Section 79766 that administers the public  
28 benefits, after that agency makes a finding that the public benefits  
29 of the project for which that agency is responsible meet all the  
30 requirements of this chapter, to ensure that the public contribution  
31 of funds pursuant to this chapter achieves the public benefits  
32 identified for the project.

33 (4) The commission has held a public hearing for the purposes  
34 of providing an opportunity for the public to review and comment  
35 on the information required to be prepared pursuant to this  
36 subdivision.

37 (5) All of the following additional conditions are met:

38 (A) Feasibility studies have been completed.

39 (B) The commission has found and determined that the project  
40 is feasible, is consistent with all applicable laws and regulations,

1 and, if the project is in the Delta watershed, will advance one or  
2 more of the policy objectives specified in Section 85020.

3 (C) All environmental documentation associated with the project  
4 has been completed, and all other federal, state, and local approvals,  
5 certifications, and agreements required to be completed have been  
6 obtained.

7 (b) The commission shall submit to the Legislature its findings  
8 for each of the criteria identified in subdivision (a) for a project  
9 funded pursuant to this chapter.

10 (c) Notwithstanding subdivision (a), funds may be made  
11 available under this chapter for the completion of environmental  
12 documentation and permitting of a project.

13 79768. (a) The public benefit cost share of a project funded  
14 pursuant to this chapter shall not exceed 50 percent of the total  
15 costs of any project funded under this chapter.

16 (b) In order to receive funding authorized by this chapter to  
17 improve groundwater storage in an aquifer, the applicant shall  
18 demonstrate that a public agency has authority to manage the water  
19 resources in that aquifer.

20 79769. (a) A project is not eligible for funding under this  
21 chapter unless, by January 1, 2018, all of the following conditions  
22 are met:

23 (1) All feasibility studies are complete and draft environmental  
24 documentation is available for public review.

25 (2) The commission makes a finding that the project is feasible,  
26 and will advance the long-term objectives of restoring ecological  
27 health and improving water management for beneficial uses.

28 (3) For projects to be constructed and operated by the  
29 department, the director receives commitments for not less than  
30 75 percent of the nonpublic benefit cost share of the project.

31 (b) If compliance with subdivision (a) is delayed by litigation  
32 or failure to promulgate regulations, the date in subdivision (a)  
33 shall be extended by the commission for a time period that is equal  
34 to the time period of the delay, and funding under this chapter that  
35 has been dedicated to the project shall be encumbered until the  
36 time at which the litigation is completed or the regulations have  
37 been promulgated.

38 79770. (a) Funding authorized by this chapter shall not be  
39 used to pay any share of the costs of remediation recoverable from  
40 parties responsible for the contamination of a groundwater storage

1 aquifer, but may be used to pay costs that cannot be recovered  
2 from responsible parties. Parties that receive funding for  
3 remediating groundwater storage aquifers shall exercise reasonable  
4 efforts to recover the costs of groundwater cleanup from the parties  
5 responsible for the contamination.

6 (b) Projects and activities that leverage funding from local  
7 agencies and responsible parties to the maximum extent possible  
8 shall receive priority consideration.

9 79771. From the funds described in Section 79761, upon  
10 appropriation by the Legislature, the commission shall make  
11 twenty-five million dollars (\$25,000,000) available to the  
12 department for studying the feasibility of additional surface storage  
13 projects. Funds provided by this section are not available to study  
14 the feasibility of any storage project identified in the CALFED  
15 Bay-Delta Program Record of Decision, dated August 28, 2000.

16  
17 CHAPTER 10. FISCAL PROVISIONS  
18

19 79800. (a) Bonds in the total amount of ~~eight billion dollars~~  
20 ~~(\$8,000,000,000)~~ *eight billion two hundred million dollars*  
21 *(\$8,200,000,000)*, or so much thereof as is necessary, not including  
22 the amount of any refunding bonds issued in accordance with  
23 Section 79812 may be issued and sold to provide a fund to be used  
24 for carrying out the purposes expressed in this division and to  
25 reimburse the General Obligation Bond Expense Revolving Fund  
26 pursuant to Section 16724.5 of the Government Code. The bonds,  
27 when sold, shall be and constitute a valid and binding obligation  
28 of the State of California, and the full faith and credit of the State  
29 of California is hereby pledged for the punctual payment of both  
30 principal of, and interest on, the bonds as the principal and interest  
31 become due and payable.

32 (b) The Treasurer shall sell the bonds authorized by the  
33 committee pursuant to this section. The bonds shall be sold upon  
34 the terms and conditions specified in a resolution to be adopted  
35 by the committee pursuant to Section 16731 of the Government  
36 Code.

37 79801. The bonds authorized by this division shall be prepared,  
38 executed, issued, sold, paid, and redeemed as provided in the State  
39 General Obligation Bond Law (Chapter 4 (commencing with  
40 Section 16720) of Part 3 of Division 4 of Title 2 of the Government

Code), and all of the provisions of that law apply to the bonds and to this division and are hereby incorporated in this division as though set forth in full in this division, except subdivisions (a) and (b) of Section 16727 of the Government Code.

79802. (a) Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code) of the bonds authorized by this division, the Clean, Safe, and Reliable Drinking Water Finance Committee is hereby created. For purposes of this division, the Clean, Safe, and Reliable Drinking Water Finance Committee is the “committee” as that term is used in the State General Obligation Bond Law.

(b) The committee consists of the Director of Finance, the Treasurer, the Controller, the Director of Water Resources, and the Secretary of the Natural Resources Agency. Notwithstanding any other provision of law, any member may designate a representative to act as that member in his or her place for all purposes, as though the member were personally present.

(c) The Treasurer shall serve as chairperson of the committee.

(d) A majority of the committee may act for the committee.

79803. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

79804. For purposes of the State General Obligation Bond Law, “board,” as defined in Section 16722 of the Government Code, means the Department of Water Resources.

79805. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

79806. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the

1 State Treasury, for the purposes of this division, an amount that  
2 will equal the total of the following:

3 (a) The sum annually necessary to pay the principal of, and  
4 interest on, bonds issued and sold pursuant to this division, as the  
5 principal and interest become due and payable.

6 (b) The sum that is necessary to carry out the provisions of  
7 Section 79809, appropriated without regard to fiscal years.

8 79807. The board may request the Pooled Money Investment  
9 Board to make a loan from the Pooled Money Investment Account  
10 in accordance with Section 16312 of the Government Code for the  
11 purpose of carrying out this division less any amount withdrawn  
12 pursuant to Section 79809. The amount of the request shall not  
13 exceed the amount of the unsold bonds that the committee has, by  
14 resolution, authorized to be sold for the purpose of carrying out  
15 this division. The board shall execute those documents required  
16 by the Pooled Money Investment Board to obtain and repay the  
17 loan. Any amounts loaned shall be deposited in the fund to be  
18 allocated in accordance with this division.

19 79808. Notwithstanding any other provision of this division,  
20 or of the State General Obligation Bond Law, if the Treasurer sells  
21 bonds that include a bond counsel opinion to the effect that the  
22 interest on the bonds is excluded from gross income for federal  
23 tax purposes under designated conditions or is otherwise entitled  
24 to any federal tax advantage, the Treasurer may maintain separate  
25 accounts for the bond proceeds invested and for the investment  
26 earnings on those proceeds, and may use or direct the use of those  
27 proceeds or earnings to pay any rebate, penalty, or other payment  
28 required under federal law or take any other action with respect  
29 to the investment and use of those bond proceeds, as may be  
30 required or desirable under federal law in order to maintain the  
31 tax-exempt status of those bonds and to obtain any other advantage  
32 under federal law on behalf of the funds of this state.

33 79809. For the purposes of carrying out this division, the  
34 Director of Finance may authorize the withdrawal from the General  
35 Fund of an amount or amounts not to exceed the amount of the  
36 unsold bonds that have been authorized by the committee to be  
37 sold for the purpose of carrying out this division less any amount  
38 borrowed pursuant to Section 79807. Any amounts withdrawn  
39 shall be deposited in the fund. Any moneys made available under  
40 this section shall be returned to the General Fund, with interest at

1 the rate earned by the moneys in the Pooled Money Investment  
2 Account, from proceeds received from the sale of bonds for the  
3 purpose of carrying out this division.

4 79810. All moneys deposited in the fund that are derived from  
5 premium and accrued interest on bonds sold pursuant to this  
6 division shall be reserved in the fund and shall be available for  
7 transfer to the General Fund as a credit to expenditures for bond  
8 interest, except that amounts derived from premium may be  
9 reserved and used to pay the cost of bond issuance prior to any  
10 transfer to the General Fund.

11 79811. Pursuant to Chapter 4 (commencing with Section  
12 16720) of Part 3 of Division 4 of Title 2 of the Government Code,  
13 the cost of bond issuance shall be paid out of the bond proceeds,  
14 including premium, if any. To the extent the cost of bond issuance  
15 is not paid from premiums received from the sale of bonds, these  
16 costs shall be shared proportionately by each program funded  
17 through this division by the applicable bond sale.

18 79812. The bonds issued and sold pursuant to this division  
19 may be refunded in accordance with Article 6 (commencing with  
20 Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of  
21 the Government Code, which is a part of the State General  
22 Obligation Bond Law. Approval by the voters of the state for the  
23 issuance of the bonds under this division shall include approval  
24 of the issuance of any bonds issued to refund any bonds originally  
25 issued under this division or any previously issued refunding bonds.

26 79813. The proceeds from the sale of bonds authorized by this  
27 division are not “proceeds of taxes” as that term is used in Article  
28 XIII B of the California Constitution, and the disbursement of  
29 these proceeds is not subject to the limitations imposed by that  
30 article.

31 SEC. 3. Section 2 of Chapter 3 of the Seventh Extraordinary  
32 Session of the Statutes of 2009, as amended by Section 1 of  
33 Chapter 74 of the Statutes of 2012, is repealed.

34 SEC. 4. Section 2 of this act shall be submitted to the voters  
35 at the November 4, 2014, statewide general election in accordance  
36 with provisions of the Government Code and the Elections Code  
37 governing the submission of a statewide measure to the voters.

38 SEC. 5. Section 2 of this act shall take effect upon the approval  
39 by the voters of the Clean, Safe, and Reliable Drinking Water Act

1 of 2014, as set forth in that section at the November 4, 2014,  
2 statewide general election.

O